



Administration and Finance

Policy No: 3584

Policy Name:
Service Centers

Effective Date:
July 1, 2008

Revision Date:
N/A

Approved by:
Lynn Kingsley
Director
Cost Analysis and Studies

Approval Date:
July 1, 2008

Refer Questions to:
Director
Cost Analysis and Studies
410-706-2889

Policy:

- A. To establish a service center, the unit must prepare a proposal in accordance with the Service Center Procedures Manual. All service center proposals must be approved by:
1. Department Chair, if applicable
 2. Dean or his/her designee in the Dean's Office
 3. Cost Analysis and Studies
- B. Service centers bill for the goods and services they provide according to the following guidelines:
1. Service center billing rates should be set at a level designed to recover no more than the cost of providing the goods and /or services.
 2. Service centers bill based on actual usage of the service
 3. All users of the service center must be billed at the approved rates. External service center customers may be charged a surcharge in excess of the billing rate.
 4. Service centers must obtain approval from their Dean's Office and notify Financial Services before selling to external parties.
 5. Internal billings must occur after the goods and services are provided.
 6. All billings should be timely (at least once a month).
- C. Each service center should maintain activity logs to support the billings. These logs should be retained for a period of at least three years. If the service center is under audit from an external source, this period will be extended until the audit is complete.
- D. All costs related to a service center must be charged directly to the service center chartstring even if this will cause the service center to operate at a deficit.
1. All costs incurred by the service center must be allowa

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Service Center – An organizational unit or activity that provides goods and services primarily to internal university operations and secondarily to external users, and charge the users for these services whose annual internal billings are between \$100,000 and \$1,000,000.

Specialized Service Facility - An organizational unit or activity that provides goods and services primarily to internal university operations and secondarily to external users, and charge the users for these services whose annual internal billings are > \$1,000,000.

Purpose:

To ensure that service centers and specialized service facilities are operated, accounted for, and monitored in 65 536.759 Tm031 Tm(o)Tj023 Tm(e)Tj9.1639()TjETEMC /P 0 0 9475.0023 Tm(s are op)Tj94

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D. Cost Analysis and Studies

1. Review and approve service center proposals.
2. Review and approve the rate calculation packages on an annual basis.
3. Review and approve mid-year rate changes.
4. On a quarterly basis, perform the journal entry to record the facilities charge to specialized service facilities.
5. On a quarterly basis, perform a journal entry to record depreciation for the appropriate assets.
6. Provide service centers with a depreciation schedule on an annual basis.
7. Perform quarterly reviews of service center activities.

E. Financial Services

1. Provide Unrelated Business Income Tax reporting, as necessary.
2. Maintain the Central Billing function for billing external customers.

F. Budget and Financial Analysis

1. Review and approve funding plans for operating deficits.

Restrictions and Exclusions: